

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

February 13, 2007

Jeffrey T. Wilson 11600 German Pines Evansville, Indiana 47725

Subject: <u>Denial of Release Request, Ridgepoint Mining Company, Duke Mine, Task</u> #1417, M0370096, San Juan County, Utah

Dear Mr. Wilson:

The Division has reviewed your release request for the referenced site. According to the School and Institutional Trust Lands Administration (SITLA), the postmining land use is grazing (alfalfa). The current configuration of the land is not conducive to raising alfalfa, and the vegetation does meet the requirements for grazing. The Division hereby denies your request.

The Division understands the site has been leased to another entity who wants to continue mineral development. In the meantime, the site is not reclaimed, and there is no reclamation surety.

By March 16, 2007, please perform one of the following obligations:

- 1. Submit a reclamation contract and a reclamation surety in the amount of \$18,600.00 in a form acceptable to the Division. For information about submitting the surety, please contact Beth Ericksen at 801-538-5318.
- 2. Reclaim the site. The area would need to be graded so it is suitable for the postmining land use, and it would need to be planted to either native vegetation or to alfalfa.
- 3. Submit a completed permit transfer form proposing to transfer reclamation responsibility to a new entity.

Failure to comply with this requirement may result in enforcement action for not maintaining a reclamation surety.

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Because you requested that the site be released, the Division did not require payment of the permit fee in July 2006, but because the site is not in a condition that it can be released, the permit fee (\$150.00) needs to be paid. Enclosed with this letter is a statement.

Thank you for your cooperation. If you need further information or have questions about this letter, please contact Paul Baker at 801-538-5261.

Sincerely,

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

Susan M. White

SMW:PBB:pb

cc: Will Stokes, SITLA